Demands of the Employees of ITDC Hotels

1486. SHRI RAMACHANDRA KHUNTIA: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the employees of ITDC Hotels have demanded tripartite settlement before start of privatisation of ITDC Hotels;

(b) if so, Government's reaction on the demands of ITDC employees; and

(c) the steps taken by Government to resolve the issue?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Yes, Sir.

(b) and (c) In all the cases of disinvestment, depending on **the** nature of the transaction, the Government is following a uniform policy of entering into Shareholders Agreement and/or Share Purchase Agreement with the strategic partner or purchaser of the respective company only. Tripartite agreement has not been found feasible because of multiplicity of unions and many other structural problems. The decision of the Government not to have tripartite agreement has also been endorsed by the Supreme Court in the BALCO - Case. Protection of interest of the employees is ensured through provisions in the agreements with the strategic partners[7] purchasers.

Disinvestment of Kovalam Ashok Beach Resort

1487. SHRI N.K. PREMACHANDRAN: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government have taken any decision to handover the Kovalam Ashok Beach Resort to private sector;

(b) if so, the details thereof and the steps, if any, initiated in the matter, so far;

(c) whether the privatisation of the Resort does bother the national security measures as certain pivotal institutions such as

VSSC, Southern Naval Command, International Airport are located very close to the Resort; and

(d) the reaction of Government thereto?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Yes, Sir.

(b) The decision regarding disinvestment of Kovalam Ashok Beach Resort, a unit of India Tourism Development Corporation Ltd. (ITDC) has been taken by the Government in accordance with the recommendations of the Disinvestment Commission, as accepted by the Government. Advertisement inviting Expressions of Interest from the prospective bidders for this Resort has been issued on 01.01.2002 alongwith the other units of ITDC proposed to be disinvestcd in the 3rd tranche.

(c) No, sir.

(d) Does not arise in view of reply to (c) above.

Sale of MTNL

1488. SHRI RAJ NATH SINGH 'SURYA': Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the strategic sale of MTNL is being pursued;

(b) if so, the reasons therefor;

(c) whether there are any stumbling blocks to this move; and

(d) if so, the steps being taken for removing the same?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b) Disinvestment in Public Sector Undertakings is a continuous process. As a part of the process, Government keeps considering proposals for disinvestment in various public sector enterprises from time to time. The propoals arc considered through Inter-Ministerial consultations and final decisions arc taken. No decision has been taken in respect of disinvestment of Government held equity in MTNL.

(c) and (d) Do not arise.